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Testimony before the Appropriations Committee Wednesday, December 9th, 2009 Re: Proposed Deficit Mitigation Plan

Senator Harp, Representative Geragosian and members of the committee, thank you for the opportunity to testify before you today. My name is Elizabeth (Liz) Binger and I am the Executive Director of Opportunities Industrialization Center (OIC) of New London County. OIC has been serving low-income and unemployed adults across southeastern Connecticut for 40 years. Our mission is to provide training, basic skills, supportive counseling and job creation services to primarily low income persons regardless of race, color, religion, gender, sexual orientation, age, or national origin and our self-help philosophy is one of "helping people help themselves."

Governor Rell's proposed Deficit Mitigation plan coupled with recent rescissions will have an immediate negative impact on individuals and communities served by our programs. Her proposal includes nearly \$60,000 in new funding cuts to OIC's state contracts – this on top of more than \$112,000 in cuts from our local United Way, \$20,000 of cuts from several of our foundation grants, and a projected 30% decrease in individual giving and fundraising efforts. Our program budgets have already been cut deeply, services slashed and staff laid off. We have gone far beyond trimming "fat" out of our budgets and have entered the zone of cutting into the bone and limbs of our services and programs.

At the very same time that we are experiencing massive cuts and threats of even more cuts, we are seeing a large increase in the number of folks coming to us for assistance. OIC's programs impact disadvantaged adults and encompass employment training, basic skills and education. Many of OIC's clients lack the belief that they can succeed – their lives have taught them that they should expect to fail. Along with providing clients with classes in basic education, life skills, and specific career paths (Culinary Arts, C.N.A. and Office/Computer Skills), OIC's programs also offer clients job coaching, interviewing skills, information and referral, and gentle, firm encouragement. Many of OIC's clients' lives are stretched thin with respect to coping strategies and the smallest bump in the road can throw their entire lives into turmoil.

Last fiscal year, OIC served 1,440 individuals (a 15% increase over the previous year) and already in this year, we have served 674 individuals—another 15% increase. We are serving more people in our Culinary training program, more people in our C.N.A. training program, and more people in our Office/Computer Skills training program. We are also serving more ex-offenders than ever before—going from a projected 200 clients per year to more than 400 this year. Every Tuesday afternoon at 1pm, OIC offers its pre-enrollment assessment of basic skills. Until recently, it was usual to have 5-7 people each week take this assessment. Over the past several months, we have seen an average of 15-20 people each week—all of them eager and motivated for training in new skills so that they can secure long-term and meaningful employment. Last week, we had 20 individuals in our conference room taking this assessment test. And we had to turn people away, telling them to come back the following week because we were full. Given our current financial status and the cuts that Governor Rell has proposed, I don't know how we could begin to accommodate the need for training that this economic climate has created.

I know that Governor Rell claims that the state of Connecticut doesn't need job training because there are no jobs for people. The reality is that, here at OIC in New London, our clients are completing their training programs and they ARE getting jobs. Last fiscal year, 98% of the graduates of our CNA program got jobs – full-time jobs with benefits. Our Culinary students experienced similar success, as did our Office/Computer Skills graduates. And for some of these folks, OIC is only the beginning. Just this week, we received a letter in the mail from a woman who graduated from OIC in 1984. Upon completing her training program, she secured a full-time job, went on to

Three Rivers Community College and has since graduated from the University of Connecticut. She is working full-time as a Project Manager and looks to OIC as the benchmark for the start of her new life. Included in her letter was a check for \$300, so that another young woman could have the same opportunity that she had. However, as you know, donations such as this are not enough to keep OIC going. The funds that OIC receives from the Department of Labor and the Department of Social Services are critical to our ability to support our clients and to "help them help themselves."

Last year, one of our graduates wrote: "Nothing prepared me for what I would gain at OIC. I know that my life has changed in ways that I don't yet realize. My family and I will be forever grateful to OIC for the skills that I have learned, as well as the supportive and caring relationships that I built with staff. Knowing that they were they for me as I made my way through this experience made all the difference for me. I now have a full-time job, with benefits, and am confident that I can care for my family through these difficult times." Imagine what it is like for those in our community who want to work and work hard but who have lost jobs, often through no fault of their own. Or for those who lack the resources to get the skills they need in today's world. Whatever circumstances have led them to need help—I am confident that you understand the importance of OIC's being there for them.

At the same time, I understand that you are faced with very difficult decisions – and I ask that you seek other means of creating a balanced budget than continuing to cut non-profit funding. I urge you to consider alternatives to cuts, including revenue enhancements and bonding. Some suggestions that I have heard include: rolling back the increased threshold on the estate tax; requiring mandatory combined reporting for multi-state businesses so that they cannot shift their profits to another state and avoid taxes here in Connecticut; and fixing costly tax loopholes (e.g.: yacht owners currently do not, but should pay sales tax on their yacht repairs). All of these ideas are better than balancing the state's budget on the backs of our most vulnerable citizens – the clients of the state's non-profits.

Thank you for your attention to this matter and your serious consideration of the impacts of Governor's Rell's proposed funding cuts.